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KNOWLEDGE MATTERS

SKILLS AND LEARNING
FOR CANADIANS



EXECUTIVE SUMMARY

CANADA'S INNOVATION STRATEGY

Canada 

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SKILLS AND LEARNING FOR CANADIANS



"In the new, global knowledge economy of the 21st century prosperity depends on innovation, which, in turn, depends on the investments that we make in the creativity and talents of our people. We must invest not only in technology and innovation but also, in the Canadian way, to create an environment of inclusion, in which all Canadians can take advantage of their talents, their skills and their ideas."

The Right Honourable Jean Chrétien
Prime Minister of Canada

CANADA'S INNOVATION STRATEGY

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The statistical data and projections included in this Executive Summary are drawn from a number of research studies and publications. For specific references, the reader should consult, *Knowledge Matters: Skills and Learning for Canadians*.

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Canada's Innovation Strategy is presented in two papers. Both focus on what Canada must do to ensure equality of opportunity and economic innovation in a knowledge-based economy and society.

Knowledge Matters: Skills and Learning for Canadians recognizes that people are a country's greatest resource in today's global knowledge-based economy. It looks at what we can do to strengthen skills and learning in Canada, to develop people's talent and to provide the opportunity for all to contribute to and benefit from the new economy.

Achieving Excellence: Investing in People, Knowledge and Opportunity recognizes the need to consider knowledge as a strategic national asset. It focuses on how to strengthen our science and research capacity and on how to ensure that this knowledge contributes to building an innovative economy that benefits all Canadians.

Countries that succeed in the 21st century will be those with citizens who are creative, adaptable and skilled. Our people – their skills, talents, knowledge and creativity – are the key to our future success. By providing opportunities for all Canadians to learn and to develop their skills and abilities, we can achieve our commitment to economic growth and prosperity and demonstrate our social values of inclusion and equality.

The January 2001 Speech from the Throne recognized that no one government or organization can build a skilled workforce on its own. It must be a national effort. The Government of Canada made a commitment to work with provinces, territories and other partners to ensure that all Canadians can achieve their skills and learning goals.

Knowledge Matters: Skills and Learning for Canadians, outlines the skills and learning challenges that Canada faces, proposes national goals and milestones, sets out the Government of Canada's commitments, and challenges us to find a common vision of where we want to go and to develop an action plan that includes us all.



INTRODUCTION

WHY SKILLS? AND WHY NOW?

Three key imperatives are driving us to take action:

First, the knowledge-based economy means an ever-increasing demand for a well-educated and skilled workforce in all parts of the economy and in all parts of the country.

- All aspects of the way we live and work, the way we produce and consume, are in the midst of a profound transformation as a result of the revolution in information and communications technologies and the rise of the global knowledge-based economy.
- The skills required for many conventional occupations are changing rapidly, and many skills are quickly becoming dated as new jobs, new technologies and new industries emerge. For example, truck drivers now need to know how to use global positioning systems, students work on-line in "networked" classrooms, crane operators work with sophisticated onboard computers, and individual investors conduct stock market transactions from their home computers.
- By 2004, more than 70 percent of all new jobs created in Canada will require some form of post-secondary education and only 6 percent of new jobs will be held by those who have not finished high school.
- Canada is already facing structural skills shortages in a range of occupations, such as nursing, engineering and management.

Second, there is a looming demographic crunch that means our future labour supply will be inadequate to meet the demands of the economy.

- More than half of the workforce of 2015 is already in the labour market.
- The next cohort of youth workers will be smaller than in the past.
- Too many Canadians are currently outside the workforce: There is a sharp divide in labour force participation rates for low-skilled and high-skilled Canadians (56 percent vs. 79 percent).
- By 2011, immigration will account for *all* net labour force growth in Canada.

Third, our learning system must be strengthened if we are to meet the skills and labour force demands of the next decades.

- Our system of supports and services for early childhood development does not reach as many young families as it should.
- Canada has strong primary and secondary education systems. Today's generation of young Canadians is the best educated in our history. Yet one in eight young Canadians does not complete high school, and one in four

"Meeting education needs is entirely consistent with the broader objectives of our union. When we look at our members we see more than a group of taxpayers or cogs in the productivity game. We see human beings with needs and hopes, with dreams and desires. Education opportunities for our members is a priority for our union."

Lawrence McBrearty, National Director for Canada
United Steel Workers of America
September 10, 2001

graduates lacks the literacy skills necessary to participate in the knowledge-based economy.

- Canadians have the highest level of participation in post-secondary education in the world. However, Canada's education advantage is diminishing as other countries raise their college and university participation rates.
- To remain competitive and keep up with the accelerating pace of technological change, Canada must continuously renew and upgrade the skills of its workforce. We can no longer assume that the skills acquired in youth will carry workers through their active lives. Rather, the working life of most adults must be a period of continuous learning.
- Adults with jobs do not have enough opportunities to "earn while they learn." The proportion of adult Canadians participating in workplace training has been stagnant since the early 1990s. The participation of Canadian workers in formal learning is only average compared with other industrialized countries.

ADDRESSING THESE CHALLENGES

Making sure that Canadians have the skills and knowledge required for today's economy and society is a national challenge. The Government of Canada, provincial and territorial governments, business, labour, the voluntary sector, educational institutions, and others all have roles to play. And, ultimately, individuals are responsible for their own learning and development.

The Government of Canada has worked collaboratively with the provinces and territories on a number of initiatives and has recently introduced important measures within its own areas of responsibility.

- Cooperation between the Government of Canada and provincial and territorial governments has resulted in strengthened supports for children and families through the **National Child Benefit**, the **National Children's Agenda** and the **Early Childhood Development Agreement**.*
- The Government of Canada has also doubled the duration of maternity and parental benefits under **Employment Insurance**.
- The **Labour Market Development Agreements** are an important and effective partnership for harmonizing efforts to help unemployed Canadians return to work.
- The Government has worked closely with provincial and territorial governments to improve programs offering financial assistance to post-secondary students.
- The Government has also increased support for university research through the **Canada Foundation for Innovation**, funding for research chairs and increased support to granting councils.

* While the Government of Quebec shares the same concerns as other governments on children's issues, Quebec does not participate in federal-provincial-territorial initiatives such as the National Child Benefit, the National Children's Agenda or the Early Childhood Development Agreement.

In its December 2001 Budget, the Government of Canada announced a series of measures that build on previous strategic investments to strengthen and encourage learning and skills development:

- increased support for **Sector Councils**;
- increased investment in early childhood development programs and services for Aboriginal children and increased support for First Nations children facing learning challenges in school;
- continuing investments in **SchoolNet**;
- improved support for apprentices;
- changes to the **Canada Study Grants** to better assist students with disabilities;
- an extension of the education tax credit to individuals receiving taxable assistance for their post-secondary education; and
- an exemption from income tax of any tuition assistance for adult basic education provided under certain government programs.

The provincial and territorial governments are also taking action and showing leadership. The governments of Quebec, Alberta and New Brunswick, for example, have recently released papers highlighting the skills and learning issues in their respective provinces. Specific provincial and territorial initiatives range

from early literacy and learning programs in Nova Scotia and Saskatchewan, to increased support for technology in schools in Prince Edward Island, to British Columbia's system of transferring courses and credits among institutions. Post-secondary education capacity has been expanded in Manitoba and in Ontario and strategies to enhance literacy have been developed in Newfoundland and Labrador as well as in the Northwest Territories.

MOVING FORWARD

For Canadians to have the skills they need to participate fully in society, and to secure Canada's position as a leader in the world economy, further action is required by all.

We need a Canada-wide skills and learning agenda so that:

- our existing workforce has ongoing opportunities to upgrade its skills and acquire new ones;
- our learning system can develop a world-class labour force to meet Canada's current and future skills needs; and
- our supply of skilled workers continues to grow.

The Government of Canada is calling for a renewed effort by all sectors of Canadian society to ensure we meet our skills and learning requirements for the 21st century.

As a nation, we aspire to have children who:

- *achieve physical, emotional and social development, language skills, literacy, numeracy and general knowledge to the best of their capabilities;*
- *are ready for learning throughout their lives so they can gain the abilities they need for present and future fulfilment.*

The Federal-Provincial-Territorial
Ministerial Council on Social Policy Renewal
Public Dialogue on the National Children's Agenda:
Developing a Shared Vision
June 2000

GOAL

To give our children and youth the best possible start in life.

MILESTONES

- Canada becomes one of the top three countries in mathematics, science, and reading achievement.
- All young Canadians are computer and Internet literate by grade school graduation.
- All students who graduate from high school achieve a level of literacy sufficient to participate in the knowledge-based economy.
- The proportion of high school graduates who have a working knowledge of both official languages doubles.



CHILDREN AND YOUTH

HOW THE GOVERNMENT OF CANADA COULD CONTRIBUTE

The Government of Canada will consider actions in a number of areas to better support children and youth. These actions will be discussed with provincial and territorial governments and with stakeholders:

- 1. Support early childhood development programs and services.** Implement the commitments of the 2001 Budget regarding Aboriginal children. In partnership with provincial and territorial governments, continue to implement the commitments in the **Early Childhood Development Agreement**.
- 2. Improve education outcomes of on-reserve First Nations children and youth.** Work with partners to find ways of improving First Nations education outcomes in on-reserve schools.
- 3. Help young Canadians make a successful transition from school to work.** Examine ways to improve the Government of Canada's **Youth Employment Strategy** to better assist youth in succeeding in the labour market.

Apprentices

"We need to have a serious examination of how to improve apprenticeship programs. There is a shortage of tradespeople in Canada, and it will worsen in the next few years. Canada is not prepared to deal with this issue under our current apprenticeship programming."

The Conference Board of Canada
Performance and Potential 2000–2001

GOAL

All qualified Canadians have access to high-quality post-secondary education.

MILESTONES

- One hundred percent of high school graduates have the opportunity to participate in some form of post-secondary education.
- Over the next decade, 50 percent of 25-64 year olds, including an increased proportion of individuals from at-risk groups, have a post-secondary credential (up from the current 39 percent).
- Over the next decade, the number of apprentices completing a certification program doubles (to 37,000).
- Admission of Masters and PhD students at Canadian universities increases by an average of 5 percent per year through to 2010.

POST-SECONDARY EDUCATION

HOW THE GOVERNMENT OF CANADA COULD CONTRIBUTE

The Government will consider actions in a number of areas related to post-secondary education. These actions will be discussed with provincial and territorial governments and with stakeholders:

- 1. Make post-secondary education more financially accessible to low-income Canadians.** Work with provinces and territories to ensure the effective implementation of the changes to the **Canada Study Grants** for students with disabilities. Examine further improvements to student financial assistance to better support students in need and to encourage them to enrol in post-secondary education.
- 2. Encourage low-income and moderate-income Canadians currently in the workforce to participate in post-secondary education by "learning while they earn."** Improve student financial assistance programs to help working Canadians upgrade their education through part-time study.
- 3. Facilitate mobility and access to post-secondary education for adult learners and students.** Explore with provinces and territories how best to enhance the mobility of students and adult learners by facilitating the transfer of credits among institutions, and the recognition of prior learning and experience.
- 4. Encourage Canadians to look to skilled trades for employment.** Discuss with partners possible means of encouraging more Canadians to consider working in the skilled trades.
- 5. Build on the expertise of community colleges.** Explore how to help support the important role played by community colleges in equipping Canadians with the skills they need for the future.
- 6. Increase the number of highly qualified people.** Discuss with partners and stakeholders how best to increase the number of highly qualified people available to drive innovation in Canada's economy. Another Government of Canada paper from Industry Canada, *Achieving Excellence: Investing in People, Knowledge and Opportunity*, outlines a number of possible initiatives to better support graduate and post-graduate studies.

"There is abundant evidence that good literacy skills, along with numeracy and technological skills, are important prerequisites to the productivity and ongoing skills development of Canada's workforce. The impact of this issue must be addressed by both the public and private sectors."

Maureen Cavan, Chair,
ABC CANADA
National Summit on Literacy and Productivity
October 2000

GOAL

To ensure Canada's current and emerging workforce is more highly skilled and adaptable.

MILESTONES

- Within five years, the number of adult learners increases by one million men and women throughout all segments of society.
- Within five years, businesses increase by one-third their annual investment in training per employee.
- The number of adult Canadians with low literacy skills is reduced by 25 percent over the next decade.



ADULT LABOUR FORCE

HOW THE GOVERNMENT OF CANADA COULD CONTRIBUTE

The Government will consider actions in a number of areas to help Canadians pursue learning opportunities and realize their aspirations, and increase our supply of labour. These actions will be discussed with provincial and territorial governments and with stakeholders:

- 1. Increase the reach and scope of sector council activities.** Work with sector councils to increase the number of sectors covered, as well as expand human resource planning and skills development within sectors and small-sized and medium-sized businesses. Discuss with sector councils and other partners the development of a cross-sectoral "Workplace Skills Development Gold Standard" to recognize firms that engage in exemplary learning programs.
- 2. Support the development and dissemination of knowledge and information on adult learning.** Examine ways to further research and the development and dissemination of knowledge and information about adult skills and learning.
- 3. Encourage workplace-based learning and opportunities for workers to "learn while they earn."** Examine with partners possible financial incentives for employers who support essential skills development for their employees. Examine possible enhancements to student assistance programs for part-time study.
- 4. Ensure the best use of resources for active labour market measures.** Building on current labour market development partnerships, work with provinces and territories to ensure the most effective use of resources to meet the skills development needs of Canadians in our evolving labour market.
- 5. Encourage the participation of those facing barriers to labour market participation.** Consider, in cooperation with provinces and territories and other partners, targeted skills development initiatives to help persons with disabilities, Aboriginal people, visible minorities, individuals with low levels of literacy or foundation skills, and others facing particular barriers to participation in the labour market.

GOAL

To ensure that Canada continues to attract the highly skilled immigrants it needs and helps them to achieve their full potential in Canadian society and the labour market.

MILESTONES

- By 2010, 65 percent (up from 58 percent in 2000) of adult immigrants have post-secondary education.
- The income gap between immigrants in the workforce and Canadian-born workers with comparable skills and education is reduced by 50 percent.

HOW THE GOVERNMENT OF CANADA COULD CONTRIBUTE

The Government will consider actions which will be discussed with provincial and territorial governments and with stakeholders taking into account the sharing of responsibilities under federal-provincial agreements relating to immigration:

1. **Attracting and selecting highly skilled immigrants.** Examine with provinces, territories, municipal governments, employers and other partners how best to ensure that Canada continues to receive the skilled immigrants it needs. Industry Canada's paper, *Achieving Excellence: Investing in People, Knowledge and Opportunity*, outlines a number of possible initiatives to attract and select skilled immigrants.

IMMIGRATION

2. Developing an integrated and transparent approach to the recognition of foreign credentials.

Work in collaboration with provinces and territories, regulatory bodies, employers and other stakeholders to develop fair, transparent and consistent processes to assess and recognize foreign qualifications before and after arrival.

3. Better supporting the integration of immigrants into Canada's labour market.

Examine with provinces and territories and other partners ways to help immigrants integrate successfully into the labour market, including language training, job-related initiatives with employers, and better labour market information and job search assistance.

4. Helping immigrants to achieve their full potential over the course of their working lives.

Examine ways to ensure that Canada has the necessary information and understanding to maximize the labour force benefits of immigration to our economy and society over the long term.

Knowledge Matters: Skills and Learning for Canadians is intended to act as a catalyst for discussion on skills and learning. It invites all Canadians to work together to develop a common understanding of the challenges we face, articulate a shared vision of where we want to go, and create a plan of action to get us there.

We want to build on the collaborative relationship we have with provincial and territorial governments, one that is built on mutual respect for each other's jurisdiction. Building on the success of federal-provincial-territorial partnerships, the Government of Canada wishes to discuss with provincial and territorial governments the proposed overall national goals, consult them on its proposed actions and explore areas for collaboration.

The Government of Canada will also engage a wide range of partners and stakeholders in discussions on national goals and the actions needed to reach them. For example, the Government will sponsor a series of workshops on "best practices" in areas such as workplace-based skills development, literacy, skilled trades and e-learning.

To keep Canadians informed of progress, the Government of Canada will work with provinces and territories and other partners to develop measures to track our success and report results to Canadians on an ongoing basis.

Meeting our goals will require a long-term and shared commitment. It will require sustained efforts by all governments in Canada and citizens in every region of the country and in every sector of the economy. Canada's greatest strength has always been a talented, mobile, healthy and committed workforce. We must ensure that this remains our strength for ourselves and for our children.



A CALL TO ACTION